A0400-1

The Aluminum Situation

ECONOMICS AND STATISTICS — MARCH 1990

JANUARY SHIPMENTS UP 13.2% FROM DECEMBER '89

Industry net shipments for the month of January 1990, totaling 1,281 million pounds, increased 13.2 percent from December 1989 shipments of 1,131 million pounds.

Domestic shipments for January 1990, totaled 1,017 million pounds, were up 15.3 percent from the previous month total of 882 million pounds.

U.S. exports of aluminum ingot and mill products totaled 264 million pounds, increased 6.0 percent from the December 1989 total of 249 million pounds.

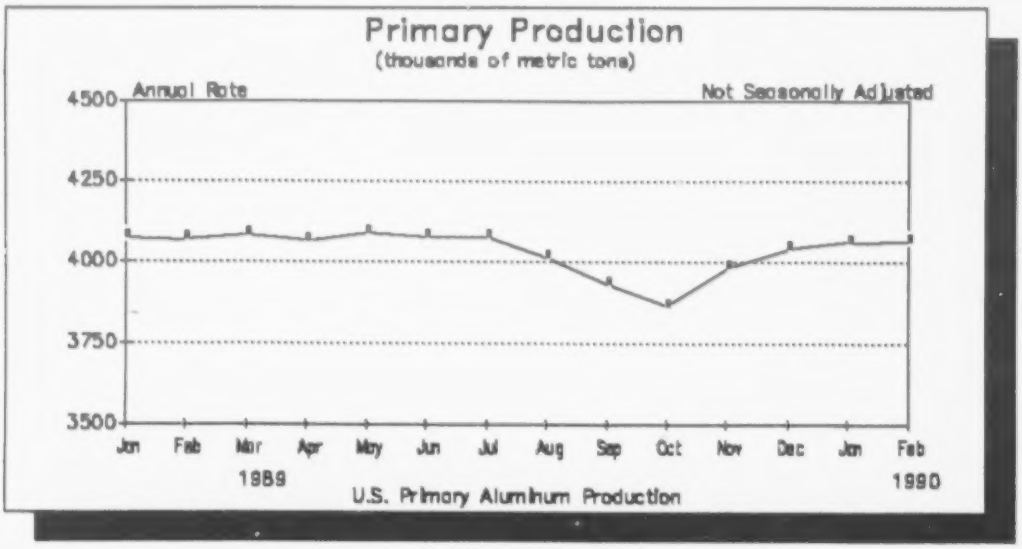
THRU JANUARY 1990

	1990 January	1989 December	% Change
Mill Products	1,036	893	16.0
Ingot	244	237	3.0
Total	1,280	1,131	13.2
Less Exports	264	249	6.0
Domestic Total	1,017	882	15.3

Figures in Millions of Pounds
Source: Bureau of the Census
U.S. Department of Commerce

PRIMARY PRODUCTION DAILY RATE ESTIMATED AT 11,135 METRIC TONS

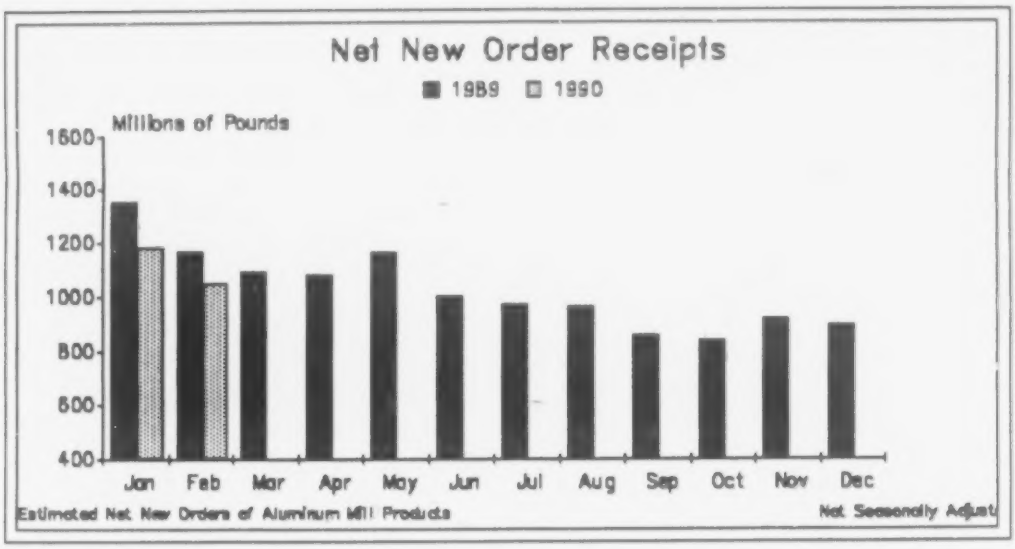
U.S. primary aluminum production averaged an estimated 11,135 metric tons daily during February 1990. This compares with an average of 11,149 metric tons a day in February 1989 and 11,129 metric tons a day in January 1990. The annual rate of production in February 1990 was 4,064,132 metric tons compared with 4,069,307 metric tons in February 1989 and 4,062,132 metric tons in January 1990. Estimated production in February 1990 was 311,769 metric tons.



This report contains information reported to the Association by the domestic producers, which is aggregated by the Association. While the Association believes that its statistical procedures and methods are reliable, it does not warrant the accuracy or completeness of the data. All data contained herein are subject to revision.

NET NEW ORDER RECEIPTS DOWN 11.5 PERCENT

Estimated net new order receipts of aluminum mill products for the first two months of 1990, totaling 2,233 million pounds, declined 11.5 percent from the two month 1989 total of 2,523 million pounds. Net new order receipts for February 1990 totaled 1,051 million pounds, down 11.1 percent from January 1990.

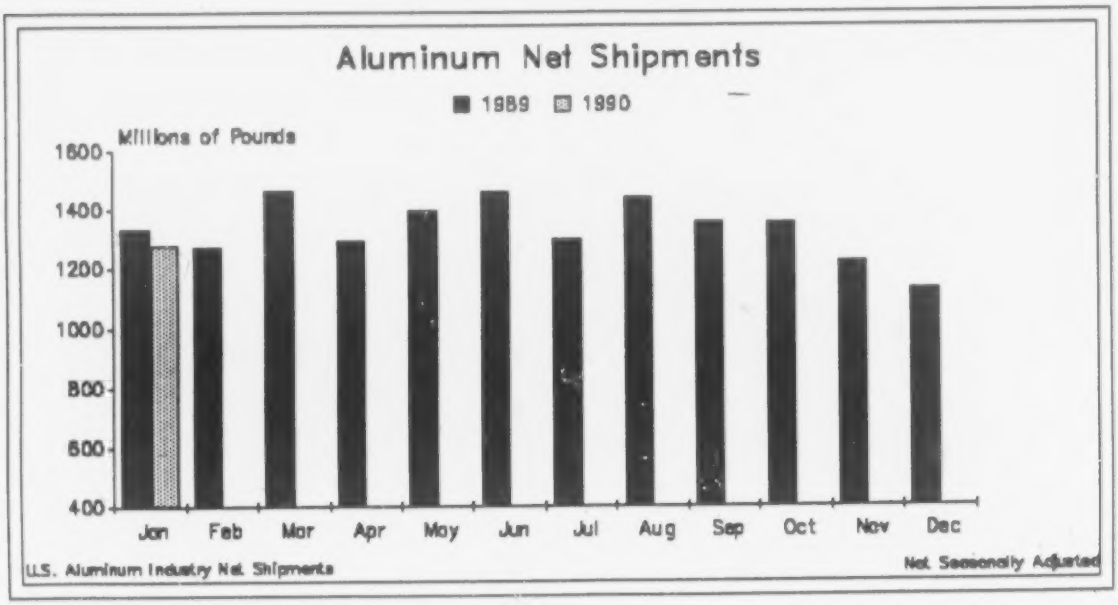


ORDER RECEIPTS (Millions of Pounds)	1990 February	1989 February	1990 2 Mos.	1989 2 Mos.	% Change 1990 vs 1989
Sheet & Plate, Other	342.8	435.9	735.4	918.4	-19.9
Can Stock (a)	330.2	306.1	680.1	701.3	-3.0
Foil	88.5	75.4	198.7	172.1	15.5
Bar, Rod & Wire	46.2	45.4	91.5	75.7	20.9
Electrical Conductor	36.5	72.6	81.8	156.5	-47.7
Extruded Shapes & Tube	188.6	211.0	402.6	455.1	-11.5
Powder & Paste	8.3	7.1	22.0	16.7	31.7
Forgings & Impacts	9.5	14.0	20.6	27.5	-25.1
Total Mill Products	1,050.6	1,167.5	2,232.7	2,523.3	-11.5

Source: The Aluminum Association estimates total industry orders (including orders for imports) based on weekly reports by members of new orders (less cancellations) received. The Association expands these data to total industry utilizing an expansion ratio that attempts to reflect the relationship of reporters to the total industry. Weekly data are available on a subscription basis.
Note: Cummulative data includes revisions for previous periods.
(a) Domestic only. Orders for exports of Can Stock are included in Sheet and Plate, Other.

TOTAL NET SHIPMENTS DOWN 4.3% COMPARED TO JANUARY '89

Total industry net shipments for January 1990, reported at 1,280 million pounds, were down 4.3 percent from the previous year total of 1,337 million pounds. Domestic shipments of 1,017 million pounds decreased 14.3 percent from the 1989 total of 1,187 million pounds. U.S. exports of aluminum ingot and mill products of 264 million pounds were up 74.8 percent from January 1989.



NET SHIPMENTS (Millions of Pounds)	1990 January	1989 January	% Change 1990 vs 1989
Sheet	577.6	563.3	2.5
Plate	21.9	25.8	-14.9
Foil	70.2	78.1	-10.1
Rod,Bar & Wire	30.3	29.3	3.1
Elec. Conductor	44.9	61.3	-26.8
Extruded Shapes,Tube	214.0	217.9	-1.8
Powder & Paste	4.7	7.2	-35.5
Forgings & Impacts	9.9	13.3	-25.3
Net Imports of Mill Products (Total) (a)	62.8	71.4	-12.1
Total Mill Products	1,036.2	1,067.6	-2.9
Ingot	244.3	269.9	-9.5
TOTAL INDUSTRY SHIPMENTS	1,280.5	1,337.4	-4.3
Exports	263.5	150.8	74.8
TOTAL DOMESTIC SHIPMENTS	1,016.9	1,186.6	-14.3

Source: Bureau of the Census, U.S. Department of Commerce - CIR M33-D
Note: Cummulative data includes revisions for previous periods
(a) Not included in product data above.

PRODUCER INVENTORIES UP 22 MILLION POUNDS

Producer inventories increased in January 1990 to a reported total of 4,064 million pounds. This represents a 22 million pound increase from the December 1989 level of 4,042 million pounds.

Month-End Aluminum Producer Inventories
(Millions of Pounds)

	Total	Ingot	Scrap	All Other
November	3,988	1,365	672	1,951
December	4,042r	1,409r	661r	1,980r
January	4,064	1,342	659r	2,023r

Source: Bureau of the Census, U.S. Department of Commerce.

CUSTOMER INVENTORIES REPORTED AT 33.7 DAYS

Respondents to the Association's Customer Inventory Survey reported that their Average Days Inventory as of January 31, 1990 was 33.7, down 1.5 percent from inventories reported at the end of December 1989.

Month-End Aluminum Customer Inventories
(Average Number of Days)

November	32.1
December	34.2
January	33.7

Source: Aluminum Association - Customer Inventory Position Survey

---

U.S. IMPORTS & EXPORTS (Millions of Pounds)		1990* January	1989 January	% Change 1990 vs 1989
Imports	Mill Products	88.5	93.9	-5.7
	Ingot	186.0	219.3	-15.2
	Total	274.5	313.1	-12.3
	Scrap (+ dross)	40.2	40.5	-0.6
	Grand Total	314.8	353.6	-11.0
Exports	Mill Products	89.0	73.6	20.9
	Ingot	174.6	77.2	126.2
	Total	263.5	150.8	74.8
	Scrap	104.9	106.2	-1.2
	Grand Total	368.5	257.0	43.4
Net Imports		-53.7	96.6	-155.6

Source: Bureau of the Census, U.S. Department of Commerce.
(*) Data may not be comparable to previous years due to changes in trade classifications effective January 1, 1989